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SECTION H – SPECIAL CONTRACTING REQUIREMENTS

H.1 Authorized Users

This contract is for the use by the Department of the Treasury and its Bureaus. Users other than Department of Treasury and its Bureaus may be allowed to use this contract at any time during the term of this contract up to the limits specified in Section H.2. If so, a contract modification or such other documentation as may be deemed appropriate for use, will be developed, and the necessary approvals, if any, required.

H.2 Contract Minimums and Maximums

(a) The guaranteed minimum to be ordered from the contract is stated in terms of the number of sites for which TCE service will be ordered in the initial implementation of the contract. The minimum number of sites to implement transition in the first year of the contract will be 600. The entire minimum may not be realized by the Contractor if the contract is terminated in accordance with either of the clauses FAR 52.249-2 or FAR 52.249-8 at Section I.1.

(b) The maximum amount of the contract shall not exceed \$1.5 billion over its entire anticipated 120-month life (three base years and seven one-year option periods). This is an estimate only and may in fact increase in the out years depending on the contractor's ability to remain competitive in both price and technology and the Government's efforts to converge telecommunications technologies into the TCE.

Note: This is not a multi-year contract as defined in FAR 17.1. Task orders will be issued on an annual basis and the Government's guaranteed commitment shall be limited to the amount in H.2(a) and shall not extend beyond the term of individual annual task orders.

H.3 Notice to Commence Work

The contractor shall not commence work required under this contract until it has received written notification from the Contracting Officer (CO) providing a notice to proceed.

H.4 Enhancement and Technology Refreshment

(a) After contract award, the government may solicit, and the contractor is encouraged to propose independently, enhancements to the services, as well as new services, additions and/or, features, or other requirements of the contract. These adjustments, additions, improvements and/or enhancements may be proposed to save money, to improve performance, or for any other purpose which presents a service advantage to the government. As part of the proposed changes, the contractor shall submit a complete proposal to the Contracting Officer for evaluation. Those proposed service additions and/or enhancements that are acceptable to the government will be processed as modifications to the contract

The Government may, at any time during the term of this contract or any extension thereof, modify the contract to acquire services that are similar to those provided under the basic contract. This action is considered to be within the scope of the contract. At the option of the Government, a performance test or demonstration of the enhanced service may be required.

The Government is under no obligation to modify the contract in response to the proposed new service or enhancement.

b) Service enhancements may include any part of, or all of, a given service/system provided that the following conditions are met and substantiated by documentation in the Technological Refreshment Enhancement proposal:

- 1) The proposed service(s) shall meet all of the technical specifications of this contract.
- 2) The proposed service(s) shall have capacity, performance, or functional characteristics equal to or greater than the current service(s) to be replaced.
- 3) The proposal shall discuss the impact on training, maintenance, documentation, other software, other hardware, existing data files and data bases, and delivery schedules. The cost of changes to hardware, software, and/or existing data files and data bases not specifically addressed in the proposal shall be borne entirely by the Contractor.
- 4) The enhancement(s) shall be at least as (or more) cost effective than the service(s) to be replaced.

H.5 Price Reductions and Shared Savings

In the interest of ensuring contract prices remain competitive over time and with other contract vehicles, the Government may solicit, and the contractor is encouraged to propose independently, price reductions throughout the life of the contract. Price reductions will be formalized through a bilateral modification to the contract.

When appropriate, shared savings or other incentive arrangements may be proposed.

H.6 Key Personnel

(a) Substitutions or additions to individuals proposed and accepted as key personnel under this contract shall not be accepted unless specifically approved in writing by the Contracting Officer. Any substitutions and/or additions shall be subject to the terms and conditions of this clause.

(b) During the first twelve months (12) of contract performance, no key personnel substitutions shall be permitted unless substitutions are necessitated by an individual's sudden illness, death, or termination of employment. Additions may be considered based on the contractor's rationale. In any of these events, the contractor shall promptly notify the Contracting Officer and provide the information required by Paragraph (c) below. After the initial twelve month period, in accordance with Paragraph (c) below, all proposed substitutions and additions of key personnel shall be submitted to the Contracting Officer, in writing at least 15 days (30 days if security clearance is to be obtained) in advance of the proposed substitutions and additions.

(c) All requests for substitutions and additions must provide a detailed explanation of the circumstances necessitating the proposed substitution or addition, a complete resume for the proposed substitute or addition, and any other information requested by the Contracting Officer needed to approve or disapprove the request. All proposed substitutes and additions must have qualifications equal to or better than the person to be replaced. The Contracting Officer or his

authorized representative will evaluate such requests and promptly notify the contractor of the approval or disapproval thereof.

(d) Key personnel included under this contract are listed by name and position or title in G.3.

H.7 Removal of Contractor Personnel

The Government reserves the right to unilaterally direct the removal from work under this contract those Contractor personnel that the Government has found to be unacceptable. The Contractor shall remove the unacceptable personnel within 30 calendar days after receiving a written notice from the Contracting Officer.

H.8 Security Screening Requirements For Access to Sensitive But Unclassified Systems or Information (MAR 1998)(IRSAP 1052.204-9000)

(a) In addition to complying with any functional and technical security requirements set forth in the schedule and elsewhere in this contract, the Contractor shall request that the Government initiate personnel screening checks and provide signed user nondisclosure agreements, as required by this clause, for each contractor employee requiring staff-like access, i.e., unescorted or unsupervised physical access or electronic access, to Treasury or Bureau locations.

(b) The Contractor shall submit a properly completed set of investigative request processing forms for each such employee in compliance with instructions to be furnished by the Contracting Officer or his/her designated representative.

(c) Depending upon the type of investigation necessary, it may take up to several months to complete complex personnel screening investigations. At the discretion of the Government, background screening may not be required for employees with recent or current favorable Federal Government investigations. To verify the acceptability of a non-IRS, favorable investigation, the Contractor shall submit the forms or information needed, according to instructions furnished by the Contracting Officer.

(d) When contractor employee access is necessary prior to completion of personnel screening, each contractor employee requiring access may be considered for escort access. The Contractor shall promptly submit all requests for approval for escort access to the Contracting Officer or his/her designated representative so as not to endanger timely contract performance.

(e) The Contractor shall ensure that each contractor employee requiring access executes any nondisclosure agreements required by the Government prior to gaining staff-like access. The Contractor shall provide signed copies of the agreements to the Site Security Officer (SSO) for inclusion in the employee's security file. The name and location of the SSO shall be provided by the Government after contract award. Unauthorized access is a violation of law and may be punishable under the provisions of Title 5 U.S.C. 552a, Executive Order 12356; Title 5 U.S.C. 7211 governing disclosures to Congress; Title 10 U.S.C. 1034, as amended by the Military Whistleblower Protection Act governing disclosure to Congress by members of the military; Title 5 U.S.C. 2302(b)(8) as amended by the Whistleblower Protection Act governing disclosures of illegality, waste, fraud, abuse or public health or safety threats; the Intelligence

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Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) governing disclosures that could expose confidential Government agents; and the statutes which protect against disclosure that may compromise the national security, including Sections 641, 793, 794, 798, and 952 of Title 18, United States Code, and Section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. Section 783(b)) and other applicable statutes.

(f) The Contractor shall notify the Contracting Officer's Technical Representative (COTR) or the Site Security Officer no later than the end of the day of the termination for cause of an authorized employee's access. The Contractor shall notify the COTR no later than ten days after an authorized employee no longer requires access for any other type of termination. Verbal notifications shall be confirmed in writing within thirty days.

NOTE: The specific security processing procedures may differ by Bureau and/or site.

H.9 Identification/Badging Requirements (MAR 1998)(IRSAP 1052.204-9001)

During the period of this contract, access to Government facilities for contractor representatives shall be granted as deemed necessary by the Government. All Contractor employees whose duties under this contract require their presence at any Treasury, or Treasury Bureau, facility, shall be clearly identifiable by a distinctive badge furnished by the Government. In addition, corporate identification badges shall be worn on the outer garment at all times. It is the sole responsibility of the Contractor to provide this corporate identification. Upon the termination of employment of any contractor personnel, all Government furnished identification shall be returned to the issuing office. All on-site contractor personnel shall abide by security regulations applicable to that site.

H.10 Disclosure of "Official Use Only" Information Safeguards (DEC 1988)(IRSAP 1052.224-9000)

Any Treasury Department information made available or to which access is provided, and which is marked or should be marked "Official Use Only", shall be used only for the purpose of carrying out the provisions of this contract and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Disclosure to anyone other than an officer or employees of the contractor or subcontractor at any tier shall require prior written approval of the Contracting Officer. Requests to make such disclosure should be addressed to the IRS Contracting Officer.

H.11 Disclosure of Information--Official Use Only (DEC 1988)(IRSAP 1052.224-9001)

Each officer or employee of the Contractor or subcontractor at any tier to whom "Official Use Only" information may be made available or disclosed shall be notified in writing by the Contractor that "Official Use Only" information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such "Official Use Only" information, by any means, for a purpose or to an extent unauthorized herein, may subject the offender to criminal sanctions imposed by 18 U.S.C. Sections 641 and 3571. Section 641 of 18 U.S.C. provides, in pertinent part, that whoever knowingly converts to his use or the use of another, or without authority sells, conveys, or disposes of any record of the United States or whoever receives the same with the intent to convert it to his use or gain,

knowing it to have been converted, shall be guilty of a crime punishable by a fine or imprisoned up to ten years or both.

H.12 Protection of Contract Information

The government will take the necessary and usual steps to maintain the confidentiality of information submitted by the offeror prior to award of the contract. The contractor is advised that the government may make contract prices and price information publicly available for the full contract period.

H.13 Insurance (Mar 2002)(DTAR 1052.228-70)

(a) In accordance with Clause 52.228-5, “Insurance—Work on a Government Installation” in Section I, the Contractor shall, at its own expense, provide and maintain during the entire performance of this contract, including option years, at least the kinds and minimum amounts of insurance coverage specified below:

- (1) *Workers’ Compensation and Employers’ Liability.* The Contractor is required to show evidence of insurance coverage of at least \$100,000 or as required by law of the State.
- (2) *General Liability.* The Contractor is required to show evidence of insurance coverage written on the comprehensive form of policy of at least \$500,000 per occurrence.
- (3) *Property Damage Liability.* The Contractor is required to show evidence of insurance coverage for property damage liability written on the comprehensive form of policy of at least \$100,000 per occurrence.
- (4) *Automobile Liability.* The Contractor is required to show evidence of insurance coverage for automobile liability written on the comprehensive form of policy of at least \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage.

(b) Each policy of insurance shall contain an endorsement that any cancellation or any material change in the insurance coverage adversely affecting the Government’s interest shall not be effective—(i) for such period as the laws of the State in which this contract is to be performed prescribe; or (ii) until 30 days after the insurer or the Contractor gives written notice to the Contracting Officer. Any such cancellation, change, or alteration, shall not relieve the Contractor of its continuing obligation to maintain insurance coverage in accordance with this Section.

(c) Within 10 business days after contract award, the Contractor shall provide a certified copy of the insurance policy to the Contracting Officer. The substance of this clause shall be made to flow down to any subcontractors.

H.14 Invoice Monitoring and Review

Treasury may establish a separate contract with a third party to assist with the reconciliation of invoices submitted by the TCE prime contractor. The TCE prime contractor shall cooperate with this contractor in the execution of their responsibilities.

H.15 Standard of Conduct at Government Installations

The Contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct, appearance and integrity and shall be responsible for taking such disciplinary action with respect to his employees as may be necessary. The Contractor is also responsible for ensuring that his employees do not disturb papers on desks, open desk drawers or cabinets, or use Government telephones except as authorized.

H.16 Post Award Evaluation of Contractor Performance (Sep 2000)(IRSAP 1052.242-9000)

a. Contractor Performance Evaluations. Interim and final evaluations of contractor performance will be prepared on this contract in accordance with FAR Subpart 42.15. A final performance evaluation will be prepared at the time of completion of work. In addition to the final evaluation, interim evaluations will be prepared annually to coincide with the anniversary date of the contract.

Interim and final evaluations will be provided to the Contractor as soon as practicable after completion of the evaluation. The Contractor will be permitted thirty days to review the document and to submit additional information or a rebutting statement. Any disagreement between the parties regarding an evaluation will be referred to an individual one level above the Contracting Officer, whose decision will be final. Copies of the evaluations, Contractor responses, and review comments, if any, will be retained as part of the contract file, and may be used to support future award decisions.

b. Electronic Access to Contractor Performance Evaluations. Contractors that have Internet capability may access evaluations through a secure Web site for review and comment by completing the registration form that can be obtained via the Internet at http://ocm.od.nih.gov/cdmp/cps_contractor.htm.

The registration process requires the contractor to identify an individual that will serve as a primary contact and who will be authorized access to the evaluation for review and comment. In addition, the Contractor will be required to identify an alternate contact who will be responsible for notifying the cognizant contracting official in the event the primary contact is unavailable to process the evaluation within the required 30-day time frame.

H.17 Exchange/Sale

(a) Authority - Section 481(c) of Title 40 of the United States Code authorizes executive agencies, in acquiring personal property, to exchange or sell similar items of personal property and apply the exchange allowance or proceeds of the sale as whole or part payment for the property acquired. Acquiring personal property includes equipment and infrastructure under this contract where the Contractor will provide the Government with possession of the replacement

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equipment and the exclusive right to use such equipment during the term of the contract. All exchange/ sale transactions also shall be in accordance with 41 C.F.R. 101.46.

CLIN prices under this contract have been established based upon the use of exchange/sale authority wherein the Department of the Treasury has agreed to exchange its existing TCS equipment with the Contractor in the process of acquiring the infrastructure necessary to provide all required TCE services under this contract. Accordingly, the Contractor agrees to provide the Government with possession and exclusive right to use all equipment dedicated solely to TCE during the term of this contract.

(b) Use – The existing TCS equipment/property identified in Attachment J-4 is provided “as is” and the Contractor shall assume responsibility for its operation, maintenance and disposal.

H.18 Permits

The Contractor shall, without additional expense to the Government, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal, state, and municipal laws, codes, and regulations, and any applicable foreign work permits, authorizations, etc., in connection with the performance of the contract.

H.19 Advertisements, Publicizing Awards and News Releases

Under no circumstances shall the Contractor, or anyone acting on behalf of the Contractor, refer to the supplies, services, or equipment furnished pursuant to the provisions of this contract in any publicity/ news release or commercial advertising without first obtaining explicit written consent to do so from the Contracting Officer

The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed or preferred by the Federal Government or is considered by the Government to be superior to other products or services.

H.20 Procedures for Correspondence

All correspondence shall be subject to the following procedures:

(a) Technical correspondence shall be addressed to the Contracting Officer's Technical Representative (COTR) or his designated representative with information copies to the Contracting Officer.

(b) All other correspondence, e.g., request for waivers, deviations, or modifications to the requirements, and terms and conditions of this contract, shall be addressed to the Contracting Officer with an information copy to the COTR or his designated representative (see Section G).

H.21 Meetings/Conferences

Technical and customer meetings may be necessary to discuss services, resolve problems, or to facilitate understanding of the requirements of the contract. The participants at

these meetings/conferences shall include members of the Contractor's staff, the customer, and other Government's representatives. These meetings/conferences shall be scheduled by the Contracting Officer and the Contractor. All Contractor costs associated with the attendance at these meetings/conferences shall be incidental to the contract and shall not be separately billed.

H.22 Post Award Conference

The Contractor shall participate in a post award conference that will be held within ten (10) business days after contract award or as mutually agreed upon. The purpose of the post award conference is to aid both the Contractor and the Government in achieving a clear and mutual understanding of all contract requirements and identify and resolve potential problems (see FAR Subpart 42.5).

The Contracting Officer is responsible for establishing the time and place of the conference and will notify the appropriate Government representatives (e.g., COTR, CO, DARs, etc.) and the Contractor. The Contracting Officer will designate or act as the chairperson at the conference. The chairperson of the conference shall conduct the meeting.

The Contracting Officer may make commitments or give directions within the scope of his/her authority and shall put in writing and sign any commitment or direction, whether or not it changes the contract. Any change to the contract that results from the post award conference shall be made only by a contract modification referencing the applicable terms of the contract. Participants without authority to bind the Government shall not take action that in any way alters the contract. The chairperson shall include in the conference summary report all information and guidance provided to the Contractor.

The prime Contractor is generally responsible for conducting post award conferences with subcontractors. However, the prime Contractor may invite Government representatives to those conferences. The prime Contractor shall provide documented Post Award meeting minutes as a deliverable no later than 3 calendar days from Post Award to be delivered to the COTR and CO concurrently.

H.23 Incorporation of Certifications

The Contractor's completed Section K—Representations, Certifications and Other Statements of Offerors, is hereby incorporated into the contract by reference with the same force and effect as if set forth in full text.

(End of Section)